

REMARKS

Claims 1-18 are pending and under consideration in the above-identified application. In the Office Action of October 17, 2007, claims 1-18 were rejected. Claims 19-79 were withdrawn in a previous amendment and remain withdrawn. Claims 80-83 were cancelled in a previous amendment and remain cancelled.

With this Amendment, claims 1, 3-4, 8, 13-14 and 18 are amended. Accordingly, claims 1-18 are at issue.

I. 35 U.S.C. § 102 Anticipation Rejection of Claims

Claims 1-18 were rejected under 35 U.S.C. § 102(e) as being anticipated by *Ginter* (U.S. Patent No. 5,892,900) ("*Ginter*"). Applicant respectfully traverses this rejection.

In relevant part, each independent claim 1, 9 and 17 recites sending an issue log to a service provider when a content is distributed by one user device to another user device.

This is clearly unlike *Ginter*, which fails to disclose sending an issue log to a service provider when a content is distributed by one user to another user device. Instead, *Ginter* discloses an electronic appliance which makes payments to a clearance center based on the number of times the electronic appliance uses content locally. See, U.S. Pat. No. 5,892,900 Col. 329, l. 11-29.

As the Applicant's specification discloses, by issuing a settlement log to a service provider or a clearance center when a distribution is made from one user device to another user device, a single content can be transferred between a plurality of users with every distribution being paid for by the user initiating the distribution. See, U.S. Patent Pub. 2003/0105720 Para. [0382]. The distribution system disclosed by *Ginter* does not account for transfers made

between user devices and therefore is not capable of confirming payments of transfers made between multiple user devices.

Therefore, because *Ginter* fails to disclose or even fairly suggest all of the features of claims 1, 9 and 17, the rejection is improper. Because claims 3-8, 11-16 and 18 depend, either directly or indirectly, from claim 1, 9 and 17, they are patentable for at least the same reasons.

II. Conclusion

In view of the above amendments and remarks, Applicant submits that all claims are clearly allowable over the cited prior art, and respectfully requests early and favorable notification to that effect.

Respectfully submitted,

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By: /David R. Metzger/

David R. Metzger

Registration No. 32,919

SONNENSCHNEIDER NATH & ROSENTHAL LLP

P.O. Box 061080

Wacker Drive Station, Sears Tower

Chicago, Illinois 60606-1080

(312) 876-8000